

MEC Status Update

Joint Legislative Commission on Energy Policy

December 2, 2014

Rule Making Timeline

- Public comment period ended September 30, 2014
- 3 Public hearings planned, one more added in September
- Issued Hearing Officers Report on November 5
- Voted rule set out on November 14
- RRC will review on December 17/18

Public Comment and Related Action

- Total comments: 217,285
- Many similar: allowed grouping
- Hearing officers: Amy Pickle (lead), Jim Womack, Kenneth Taylor
- Extraordinary effort by Hearing Officers and DENR staff
 - Every comment was considered
- Two buckets: MEC has no statutory authority, MEC considered for action

Comments for which MEC has no authority

- Ban fracking and related comments
- Regulate air emissions: 7800
 - BREDL petition, MEC decision on December 5
- Pooling related: 8200

Waste Water Treatment and Disposal

- Treatment and transportation: 3500
 - Facilities for treatment, waste stream description, spill reporting
- Open Pit Storage: 2400
- Most wanted open pits banned, cited coal ash spill
 - MEC rules require double lined and with sensors
 - Several commissioners prefer above ground storage only

Action:

- Strengthened rules on monitoring, removed notice prior to DENR inspection (feature also requested by comments)
- MEC will study safety and cost effectiveness of above ground storage in Q 1 2015 for possible further revision or statutory guidance

Setbacks

- All manner of setbacks: distance from water bodies, proximity to Shearon Harris, distance from public activity and dwellings
- 15,900 agreed with current rules, 2500 opposed
- Opposed wanted increased distances, many for 1000 ft.

Actions:

- Revised rules increased setback to 1500 ft. from municipal water supply sources
- Other setbacks compare well with other states
- Lack of definitive data guiding any more changes

Chemical Disclosure

- 15,880 For, 940 Against
- For and against use of FracFocus for disclosure
- Against: do not want trade secret exclusion
- Many asked for actions already present in SL 2014-4
 - DENR holds confidential information and discloses promptly to specified classes of persons including treating physicians

Actions:

- We are comfortable with the rules as written, including MEC statutory authority to approve trade secret status sought